

PIPELINE ROUTING PERMIT

ISSUED TO

ENBRIDGE ENERGY, LIMITED PARTNERSHIP

For the

TERRACE EXPANSION PROJECT-PHASE III

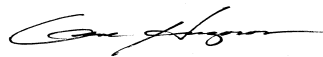
PERMIT No. 01-24-PRP-LAKEHEAD

In accordance with the requirements of Minnesota Statutes section 116I.015 and Minnesota Rules Chapter 4415, this Pipeline Routing Permit is hereby issued to:

ENBRIDGE ENERGY, LIMITED PARTNERSHIP

Enbridge Energy, Limited Partnership is authorized by this permit to construct and operate approximately 97 miles of new 36-inch (outside diameter) crude petroleum pipeline and associated facilities adjacent to an existing pipeline right-of-way in Clearwater, Beltrami, Cass, Itasca, St. Louis, and Carlton Counties.

STATE OF MINNESOTA
ENVIRONMENTAL QUALITY BOARD



Gene Hugoson, Chair

Dated: December 20, 2001

I. SITE PERMIT

This Pipeline Routing Permit authorizes Enbridge Energy, Limited Partnership (hereinafter "Enbridge" or the "Permittee") to construct a crude petroleum pipeline and associated facilities from Clearbrook, Minnesota, to Superior, Wisconsin, in accordance with the conditions contained in this Permit. (Enbridge Energy, Limited Partnership is the former Lakehead Pipe Line Company, Limited Partnership)

II. PROJECT DESCRIPTION

The Enbridge project consists of approximately 97 miles of a 36-inch outside diameter steel pipe that will transport crude petroleum at a pressure of 990 pounds per square inch. The pipeline will be located in six Minnesota counties: Clearwater, Beltrami, Cass, Itasca, St. Louis, and Carlton. The pipeline is not continuous but will consist of five segments: the Clearbrook Loop, the Cass Lake Loop, the Deer River Loop, the Floodwood Loop, and the Wrenshall Loop. A map showing the approximate route of the pipeline is attached hereto as "Attachment II". The pipeline route will be adjacent to an existing pipeline corridor. The pipeline and route are more specifically described in the Enbridge "Application for Pipeline Routing Permit and for Partial Exemption from Pipeline Route Selection Procedures to Permit Approximately 97 Miles of New 36-inch Crude Petroleum Pipeline Adjacent to an Existing Pipeline Corridor in Clearwater, Beltrami, Cass, Itasca, St. Louis and Carlton Counties" dated August 3, 2001.

III. CONDITIONS

The following conditions shall apply to right-of-way preparation, construction, cleanup, restoration, and all other phases of construction of the pipeline. The MEQB preserves all available remedies for violation of any of these Permit conditions, including revocation or modification of the Permit.

A. PERMIT DISTRIBUTION

1. LOCAL OFFICIALS

The Permittee shall, within 10 days of receipt of this pipeline routing permit from the MEQB, send a copy of the Permit to the office of each regional development commission of a development region, soil and water conservation district, watershed district, watershed management district office, office of the auditor of each county, and clerk of each city and township crossed by the designated route.

2. AFFECTED LANDOWNERS

The Permittee shall provide a copy of the pipeline routing permit to each affected landowner at least ten days before construction on the affected landowners' property. The Permittee

shall work with the property owners to identify any special problems they may have that are associated with the proposed project and attempt to mitigate these problems.

B. PLAN AND PROFILE AND RIGHT-OF-WAY SPECIFICATIONS

1. SUBMISSION TO MEQB

The Permittee shall not commence construction of the pipeline without first submitting a plan and profile for each segment or loop of the right-of-way along with the specifications and drawings for right-of-way preparation, construction, cleanup and restoration to the MEQB for review and approval. The MEQB shall complete its review within 14 days of submission. The MEQB chair may shorten this time limit if it can be shown that earlier construction will not preclude proper review. If the Permittee intends to make any significant changes in its plan and profile or the specifications and drawings for right-of-way preparation, construction cleanup and restoration that will result in associated significant adverse environmental effects as determined by the responsible permitting authority, it shall notify the MEQB in writing of the changes. The MEQB may require modification in the Permittee's plan and profile if necessary and reasonable to mitigate environmental impacts.

2. SUBMISSION TO OFFICE OF PIPELINE SAFETY

When the Permittee provides the above information to the MEQB, it shall also provide the Minnesota Office of Pipeline Safety with the same information.

C. PERMIT CONDITIONS FOR RIGHT-OF-WAY PREPARATION, CONSTRUCTION, CLEANUP, AND RESTORATION

The following conditions are found in Minnesota Rules part 4415.0195 and shall apply to pipeline right-of-way preparation, construction, cleanup, and restoration.

1. The Permittee shall comply with applicable state rules and statutes.
2. The Permittee shall clear the right-of-way only to the extent necessary to ensure suitable access for construction, safe operation and maintenance.
3. The Permittee shall stabilize stream banks disturbed by pipeline construction with vegetation using native plant species indigenous to the area or by other methods required by applicable state or federal permits or laws.
4. The permittee shall take precautions to protect and segregate topsoil in cultivated lands, unless otherwise negotiated with the affected landowner.
5. The Permittee shall take precautions to limit soil compaction on cultivated lands.
6. The Permittee shall take precautions to protect livestock and crops, unless otherwise negotiated with the affected landowner.

7. The Permittee shall take all appropriate precautions to protect against pollution of the environment.
8. The permittee shall remove and properly dispose of all waste and scrap that are the products of the pipeline construction process before construction ends.
9. The Permittee shall provide for daily cleanup of all personal litter.
10. The Permittee shall repair or replace all drainage tiles broken or damaged during right-of-way preparation, construction and maintenance activities, unless otherwise negotiated with the affected landowner.
11. The Permittee shall repair private roads and lanes damaged when moving equipment or when obtaining access to the right-of-way, unless otherwise negotiated with the affected landowner.
12. The Permittee shall replace or repair all fences and gates removed or damaged as a result of right-of-way preparation, construction and restoration activities, unless otherwise negotiated with the affected landowner
13. The Permittee shall, to the extent possible, take measures to protect shelterbelts and trees in a manner compatible with the safe operation, maintenance and inspection of the pipeline.
14. The Permittee shall, to the extent possible, restore the area affected by the pipeline to the natural conditions that existed immediately before construction of the pipeline. Restoration must be compatible with the safe operation, maintenance and inspection of the pipeline.

D. ARCHAEOLOGICAL SURVEY

The Permittee shall work with Minnesota Historical Society to determine whether an archaeological survey will be necessary for the proposed project. The Permittee shall mark and preserve any archaeological sites that are found during construction, and shall promptly notify the Minnesota Historical Society (MHS) and the MEQB of such determination. The Permittee shall not excavate at such locations unless so authorized by the MHS.

E. COMPLAINTS

The Permittee shall follow the complaint reporting procedures set forth in Minnesota Rules chapter 4415 and contained in Attachment 1 to this Permit. The Permittee shall have the complaint report procedures (Attachment 1) in place prior to the start of construction. The Permittee shall report to the MEQB any substantial complaint received concerning compliance with this Permit or the requirements of Minnesota Rules chapter 4415 that is not

resolved within 30 days of the complaint. The Permittee shall report such unresolved complaints to the MEQB in writing within ten days after the expiration of the 30 day period.

F. PERMIT AMENDMENT

This Permit may be amended for good cause upon request of the Permittee or upon the volition of the MEQB. The procedures in Minnesota Rules part 4415.0185 shall apply to any amendment.

G. PERMIT SUSPENSION OR REVOCATION

This Permit may be suspended or revoked upon the following grounds:

- (a). A false statement was knowingly made in the application or in the accompanying statements or information required of the applicant, and a true statement would have warranted a change in the board's findings;
- (b). There has been a failure to comply with a material condition of this Permit, or there has been a failure to maintain health and safety standards;
- (c). There has been a material violation of a provision of an applicable statute or rule or an order of the MEQB.

In the event the MEQB shall determine that it is appropriate to consider suspension or revocation of this Permit, the MEQB shall proceed in accordance with Minnesota Rules, part 4415.0205 to consider the suspension or revocation. The MEQB shall provide the Permittee with an opportunity to be heard. Upon a finding of any of the above, the MEQB may require the Permittee to undertake corrective measures in lieu of having the Permit suspended or revoked.

H. FAILURE TO COMMENCE CONSTRUCTION

If the Permittee has not commenced construction of the pipeline within four years after the date this Permit is issued, this Permit shall be considered suspended. The Permittee may apply to have the Permit reinstated. The EQB shall consider the request in accordance with the requirements of Minnesota Rules part 4415.0180.

I. OTHER PERMITS

The Permittee shall be responsible for acquiring any other federal, state, or local permits or authorizations that may be required to construct and operate the pipeline. The Permittee shall submit a copy of such permits and authorizations to the MEQB upon request.

J. TRANSFER OF PERMIT

The Permittee may not transfer this Permit without the approval of the MEQB. If the Permittee desires to transfer this Permit, the Permittee shall advise the MEQB in writing of such desire. The Permittee shall provide the MEQB with such information about the transfer as the MEQB requires to reach a decision. The MEQB may impose additional conditions on any new Permittee as part of the approval of the transfer.

K. OTHER LAWS

The MEQB's issuance of this Permit does not release the Permittee from any obligation imposed by any federal or state or local law except the obligation to obtain this Permit.

L. TERMINATION OF EQB JURISDICTION OVER PIPELINE

Upon completion of construction, the Permittee shall file with the MEQB a written certification that the permitted pipeline construction has been completed in compliance with all permit conditions. The certification shall be considered by the MEQB within 60 days of its filing. The MEQB shall accept or reject the certification of completion and make a final determination regarding cost or reimbursements due. If the MEQB rejects the certification, it shall inform the permittee in writing of which deficiencies, if corrected, will allow the certification to be accepted. When corrections to the deficiencies are completed, the Permittee shall notify the MEQB, and the MEQB shall reconsider the certification at its next regularly scheduled meeting, provided the notification is received at least 20 days before the meeting. After acceptance of the certification by the MEQB, the MEQB's jurisdiction over the permittee's pipeline routing permit shall be terminated.

M. MISCELLANEOUS CONDITIONS

1. The permittee shall comply with those practices set forth in its application for right-of-way preparation, construction, cleanup and restoration practices for the new pipeline.
2. The permittee shall coordinate access to the right-of-way with state, county and city officials and affected property owners.
3. The permittee shall, following completion of construction, clean up the right-of-way and all premises on which pipeline construction activities were conducted. This shall include, but not be limited to removal of debris, fence repair, removal of temporary road and ditch crossings, additional grading to correct for soil settling and seeding of the right-of-way as required by EQB permit conditions or other agency permits.
4. The permittee shall minimize the length of time between grading and restoration of the pipeline work area.

5. On wetlands not subject to DNR control the permittee shall do winter construction to the extent possible.

ATTACHMENT I

ENVIRONMENTAL QUALITY BOARD COMPLAINT REPORT PROCEDURES FOR PIPELINES

1. Purpose

To establish a uniform and timely method of reporting complaints received by the permittee concerning the permit conditions for right-of-way preparation, construction, cleanup and restoration, and resolution of such complaints.

2. Scope

This reporting plan encompasses complaint report procedures and frequency.

3. Applicability

The procedures shall be used for all complaints received by the permittee.

4. Definitions

Complaint - A statement presented by a person expressing dissatisfaction, resentment, or discontent as a direct result of pipeline right-of-way preparation, construction, cleanup and restoration. Complaints do not include requests, inquiries, questions, or general comments.

Substantial Complaint - Any complaints submitted to the permittee in writing that, if substantiated, could result in permit modification or suspension pursuant to the applicable regulations.

Person - An individual, partnership, joint venture, private or public corporation, association, firm, public service company, cooperative, political subdivision, municipal corporation, government agency, public utility district, or any other entity, public or private, however organized.

5. Responsibilities

Everyone involved with pipeline right-of-way preparation, construction, cleanup and restoration is responsible to ensure expeditious and equitable resolution of all complaints. It is therefore, necessary to establish a uniform method for documenting and handling complaints directed to this project. The following procedures will satisfy this requirement:

ATTACHMENT 1

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A. The permittee shall document all complaints by maintaining a record of all applicable information concerning the complaint, including the following:

1. Name of the permittee and project.
2. Name of complainant, address and phone number.
3. Precise property description or tract number (where applicable).
4. Nature of complaint.
5. Response given.
6. Name of person receiving complaint and date of receipt.
7. Name of person reporting complaint to the MEQB and phone number.
8. Final disposition and date.

B. The permittee shall assign an individual to summarize complaints for transmittal to the MEQB.

6. Requirements

The permittee shall report all complaints to the MEQB according to the following schedule:

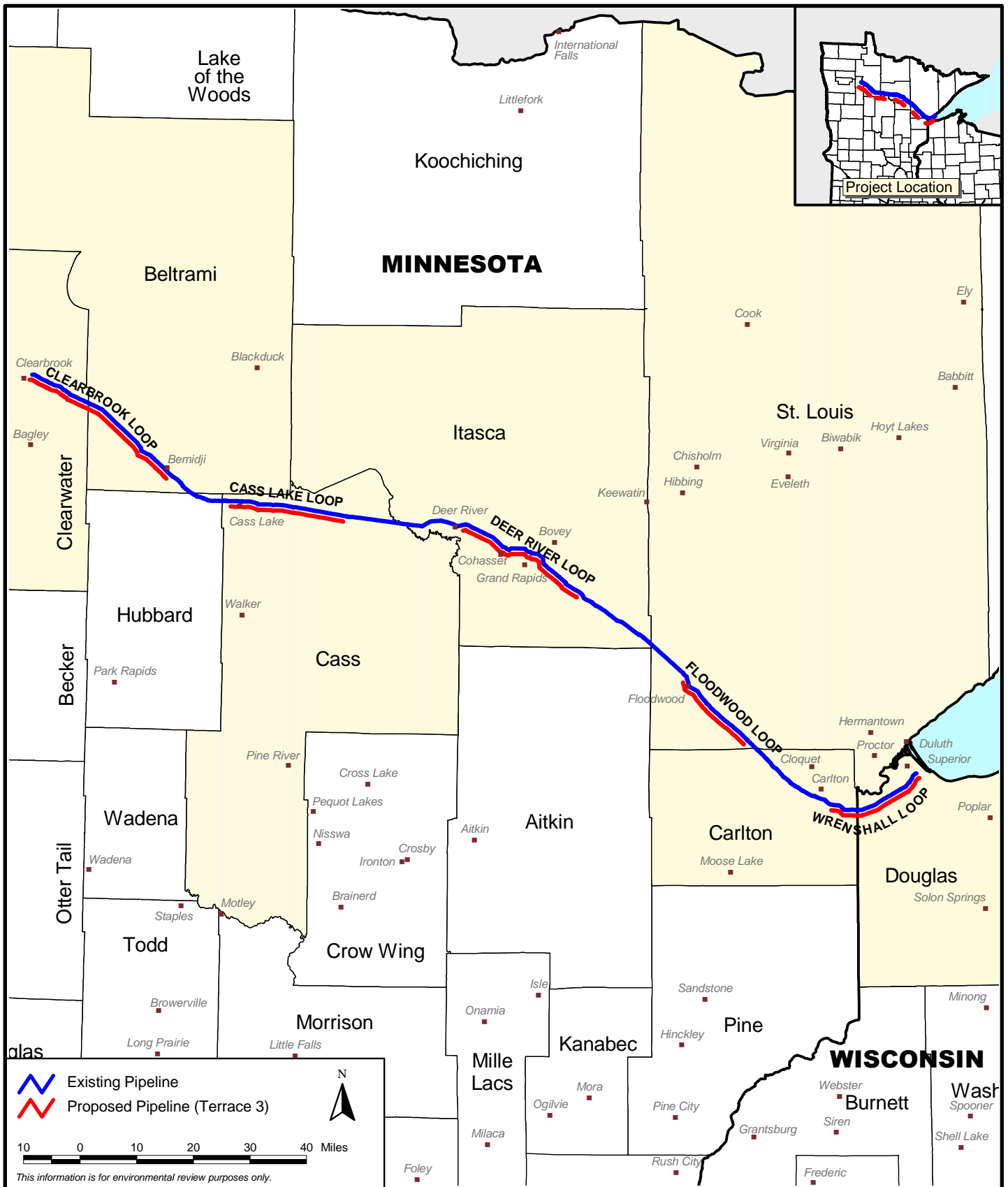
Immediate Reports - All substantial complaints shall be reported to the MEQB by phone the same day received or on the following working day for complaints received after working hours. Such reports are to be directed to Pipeline Permit Compliance, 651-296-5089.

Monthly Reports

By the 15th of each month, a summary of all complaints, including substantial complaints received or resolved during the proceeding month, and a copy of each complaint shall be sent to Pipeline Permit Compliance, Minnesota Environmental Quality Board, 300 Centennial Building, 658 Cedar St., St. Paul, MN 55155.

7. Complaints Received by the MEQB

Copies of complaints received directly by the MEQB from aggrieved persons regarding pipeline right-of-way preparation, construction, cleanup and restoration shall be promptly sent to the permittee.



LPL
Lakehead
Pipe Line

Lakehead Pipe Line Company
Clearbrook, MN to Superior, WI
Pipeline Expansion Project

DATE: 05/02/01

REVISED: 05/03/01

SCALE: 1:1,500,000

DRAWN BY: JRFLANNERY

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